

Message Text

UNCLASSIFIED

PAGE 01 TEGUCI 01048 041426Z

ACTION OPIC-06

INFO OCT-01 ARA-10 ISO-00 EB-08 TRSE-00 COME-00 AID-05
/030 W

-----041534Z 022488 /45

P 032150Z MAR 77

FM AMEMBASSY TEGUCIGALPA

TO SECSTATE WASHDC PRIORITY 5963

UNCLAS TEGUCIGALPA 1048

E.O. 11652: N/A

TAGS: EINV, HO

SUBJ: OPIC FINANCE PROJECTS

REF: STATE 044279

1. EMBASSY RECEIVED REFTEL MARCH 1 WHICH WAS FIRST DAY OF WEISENFELD (OPIC) VISIT HERE. THUS, IT WAS NOT POSSIBLE TO INVESTIGATE QUESTIONS OF TAX EXEMPTION AND AVAILABILITY OF FOREIGN EXCHANGE FOR LOAN-SERVICE PRIOR TO HIS ARRIVAL. NEVERTHELESS, EMBOFF WAS ABLE DISCUSS THESE QUESTIONS WITH HIM AND POINT OUT THAT GOH MAINTAINS NO SIGNIFICANT RESTRICTIONS ON USE OF FOREIGN EXCHANGE FOR THIS PURPOSE. BARRING AN ABRUPT REVERSAL OF PRESENT ECONOMIC TRENDS, HONDURAS IS EXPECTED ALSO TO HAVE A SUFFICIENT SUPPLY OF FOREIGN EXCHANGE TO SERVICE PROPOSED OPIC LOAN.

2. IN COURSE OF WEISENFELD CONVERSATIONS WITH LOCAL ATTORNEYS, CENTRAL BANK AND OTHERS, HE DETERMINED EXISTENCE OF FIVE PERCENT TAX ON REMITTANCE OF INTEREST. THE MINISTRY OF FINANCE COULD UNTIL RECENT DECREE, EXEMPT SOME PROPERTY FROM THIS TAX. IN DISCUSSION WITH LOCAL ATTORNEY, POSSIBILITY EMERGED OF EXEMPTING OPIC FROM THIS TAX IN A MANNER SIMILAR TO AID CREDITS. HE ALSO DETERMINED THAT FOREIGN EXCHANGE AVAILABILITY WOULD SEEM TO BE ASSURED BY
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PAGE 02 TEGUCI 01048 041426Z

CENTRAL BANK PROCEDURE INVOLVING APPLICATION FOR INITIAL ENTRY OF CAPITAL WHICH, WHEN APPROVED, ESTABLISHES PRIORITY FOR EVENTUAL REPATRIATION. EMBASSY ECONOFF PREPARED TO PURSUE INVESTIGATION THESE QUESTIONS, BUT FOR THE PRESENT WEISENFELD SAID HIS REPORT TO OPIC MIGHT SUFFICE.

3. IN VIEW OF SUCCESS OF THESE INITIATIVES BY WEISENFELD,

WHICH HE MAY PREFER TO FOLLOW UP HIMSELF, EMBASSY WILL
AWAIT ADVICE FROM OPIC BEFORE INVESTIGATING THESE QUESTIONS
FURTHER.
BECKER

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INVESTMENT LOANS, PROGRAMS (PROJECTS)
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977TEGUCI01048
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770075-0536
Format: TEL
From: TEGUCIGALPA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770395/aaaadfxw.tel
Line Count: 66
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 34f737be-c288-dd11-92da-001cc4696bcc
Office: ACTION OPIC
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Review Release Date: n/a
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Secure: OPEN
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